

FISCAL NOTE

HB 250 - SB 1289

February 15, 2005

SUMMARY OF BILL: Provides that every child in Tennessee under the age of 24 whose parent is employed as a teacher's aide working at least 25 hours per week in any public school in Tennessee shall receive a 25% discount on tuition to any state institution of higher learning.

ESTIMATED FISCAL IMPACT:

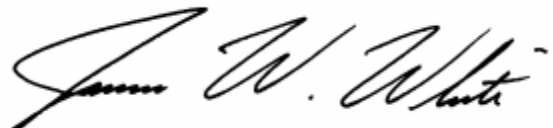
Increase State Expenditures - \$1,089,000 FY05-06
\$1,165,000 FY06-07

Assumptions:

- Lost revenues to higher education institutions will be replaced with state funds.
- The number of teacher's aides estimated to have children who are of college age in the same proportion as current teachers is 12,897.
- The children of teachers receiving tuition discounts for previous years provide a fair representation of children expected to receive discounts in the future, adjusted for an expected participation rate for children of teacher's aides in proportion to current participants.
- Approximately 2,856 full-time equivalent (FTE) students/dependents of teacher's aides will take courses.
- Approximately \$381 represents the 25% tuition discount for each FTE student/dependent ($2,856 \times \$381 = \$1,089,000$).
- Second year costs reflect a 7% increase in tuition.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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